

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 138 final

Brussels, 21 March 1983

Proposal for a

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community tariff quotas for port wines, falling within heading No ex 22.05 of the Common Customs Tariff, and originating in Portugal (1983/84)

Proposal for a

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community tariff quotas for Madeira wines, falling within heading No ex 22.05 of the Common Customs Tariff, and originating in Portugal (1983/84)

Proposal for a

COUNCIL REGULATION (EEC)

opening, allocating and providing for the administration of Community tariff quotas for Setubal muscatel wines, falling within heading No ex 22.05 of the Common Customs Tariff, and originating in Portugal (1983/84)

(submitted to the Council by the Commission)

COM(83) 138 final

EXPLANATORY MEMORANDUM

1. Article 9 of the Supplementary Protocol to the Agreement of 1972 between the European Economic Community and the Portuguese Republic, completed by Regulation (EEC) No 2370/81 laying down the arrangements applicable to trade between Greece and Portugal, provides for the opening of Community tariff quotas for the wines listed below :

Common Tariff	Customs heading	Description of goods	Annual volume	Rate of reduction
ex 22.05 C III a) 1		Port wines	100 400 hl	60 %
ex 22.05 C IV a) 1		- in containers holding two litres or less		
ex 22.05 C III b) 1		Port wines	260 000 hl	50 %
ex 22.05 C IV b) 1		- in containers holding more than two litres		
ex 22.05 C III a) 1		Madeira wines	4 050 hl	60 %
ex 22.05 C IV a) 1		- in containers holding two litres or less		
ex 22.05 C III b) 1		Madeira wines	14 500 hl	50 %
ex 22.05 C IV b) 1		- in containers holding more than two litres		
ex 22.05 C III a) 1		Setubal muscatel wines	2 000 hl	60 %
ex 22.05 C IV a) 1		- in containers holding two litres or less		
ex 22.05 C III b) 1		Setubal muscatel wines	1 000 hl	50 %
ex 22.05 C IV b) 1		- in containers holding more than two litres		

Nevertheless, the Declaration by the European Economic Community on Article 9 of the Supplementary Protocol reserves the right to the Community from 1st July 1981 to increase, in the light of the pattern of trade flows, the tariff quota for Portwines in containers holding 2 litres or less by a quantity equal to the amount not utilized in the tariff quota for Portwines in containers holding more than 2 liters opened for the preceding period ; the global volume has to be held unchanged at 360 400 hl.

The tariff quota of 230 000 hl for Portwines in containers holding more than 2 liters opened for the period from 1st July 1982 to 30 June 1983 will be used to the extent of 210 000 hl. It may be estimated that the tariff quota of 210 000 hl for the same wines opened for the period from 1st July 1983 to 30 June 1984 could be sufficient to cover import needs. Under these conditions, it seems advisable to fix the quota for Portwines in containers holding two liters or less at 150 400 hl for the period from 1 July 1983 to 30 June 1984 and to reduce the quota for Portwines in containers holding more than two liters to 210 000 hl.

2. These wines are subject to provision relating to the common organization of the market in wine.
3. In order to meet the Community's obligations to Portugal from 1.7.1983 regulations have to be adopted providing for the opening, allocation and administration of these Community tariff quotas.
4. The Regulation provides, in the normal way, that each of the volumes shall be divided into two instalments, the first of which is to be allocated among the Member States and the second held as a reserve.

The allocation of the first instalment is usually based on statistics for the three preceding years and on forecasts for the period in question. In the absence of specific Community statistics for these wines the

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initial quotas have been calculated on the basis of the most recent statistics for Portuguese exports from 1979 to 1981. The Portuguese statistics can in fact be considered to give a rough picture of Community imports in the wines in question.

5. Owing to the special characteristics of the trade in these wines, which also differ between Member States, the regulation, exceptionally, does not establish a uniform method of administration.

Annex : 3 proposals for Regulations of the Council.

Importations de vins originaires du Portugal
(sur la base des statistiques portugaises)

Vins de Porto

	en récipients ≤ 2 litres			en récipients > 2 litres		
	1979	1980	1981	1979	1980	1981
Benelux	43.705	54.844	58.693	62.592	69.144	48.237
Danemark	9.676	10.835	12.235	18.342	16.988	10.507
Allemagne	24.396	17.601	19.867	20.244	16.687	17.984
Grèce	14	250	35	-	-	-
France	140.535	151.618	150.546	114.019	103.124	78.081
Irlande	590	841	1.683	6	-	5
Italie	35.532	31.054	29.905	-	-	-
Royaume-Uni	28.608	25.467	22.556	79.252	65.390	48.125
CEE	283.056	292.510	295.520	294.455	271.333	202.939

Vins de Madère

Benelux	244	275	368	4.811	2.779	3.773
Danemark	79	34	52	3.237	2.586	1.874
Allemagne	40	63	62	6.113	5.775	3.704
Grèce	-	-	19	-	-	-
France	55	44	19	18.204	11.004	15.463
Irlande	11	5	-	17	9	-
Italie	115	55	279	-	-	-
Royaume-Uni	105	127	66	3.497	2.743	3.001
CEE	649	603	865	35.879	24.896	27.815

Vins Moscatel de Setubal

Benelux	13	46	24	-	-	-
Danemark	3	4	9	-	-	-
Allemagne	10	-	-	-	-	-
Grèce	-	-	-	-	-	-
France	4	9	-	-	-	-
Irlande	-	-	-	-	-	-
Italie	-	-	-	-	-	-
Royaume-Uni	20	49	49	-	-	-
CEE	50	108	82	-	-	-

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Proposal for a
COUNCIL REGULATION (EEC)

ANNEX A

**opening, allocating and providing for the administration of Community tariff
quotas for port wines, falling within heading No ex 22.05 of the Common
Customs Tariff and originating in Portugal (1983/84)**

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

hectolitres and 210 000 hectolitres for the period 1
July 1983 to 30 June 1984 ;

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 113
thereof,

Having regard to the proposal from the Commission,

Whereas Article 9 of the Supplementary Protocol⁽¹⁾ to
the Agreement between the European Economic
Community and the Portuguese Republic⁽²⁾,
completed by Council Regulation (EEC) No 2370/81
of 27 July 1981 laying down the arrangements
applicable to trade between Greece and Portugal⁽³⁾,
provides that customs duties on imports into the
Community of certain wines originating in Portugal
shall be reduced :

- by 60 % in the case of the duties applicable to
port wines falling within subheadings ex 22.05 C
III a) 1 and ex 22.05 C IV a) 1 of the Common
Customs Tariff, up to a total annual tariff quota of
100 400 hectolitres, and
- by 50 % in the case of the duties applicable to
port wines falling within subheadings ex 22.05 C
III b) 1 and ex 22.05 C IV b) 1 of the Common
Customs Tariff, up to a total annual tariff quota of
260 000 hectolitres ;

Whereas the Declaration by the European Economic
Community on Article 9 of the Supplementary
Protocol⁽⁴⁾ reserves the right to the Community to
increase, as from 1 July 1981, the volume of the tariff
quota referred to under (a) in so far as the tariff quota
referred to under (b) has not been exhausted com-
pletely during the preceding period, the total volume
remaining at 360 000 hectolitres ; whereas during
recent year an average quantity of 50 000 hectolitres of
port wines referred to under (b) has not been
exhausted ; whereas, on the basis of the development
of the importations of the wines in question during
the two last quota periods, it is necessary to fix the
tariff quotas for these wines at respectively 150 400

Whereas Portugal has given an assurance that the price
for wines originating in its territory will not be lower
than the reference price less the customs duties actu-
ally charged ; whereas, as a result thereof, the wines
covered by those tariff quotas should be treated in the
same manner as wines granted preferential tariff
concessions, provided the free-at-frontier reference
price is observed ; whereas such wines benefit from the
tariff concessions only if the provisions of Article 18 of
Council Regulation (EEC) No 337/79⁽⁵⁾,
amended by Regulation (EEC) No 3082/82⁽⁶⁾, a-
respected ; whereas those provisions apply to imports
under those quotas ;

Whereas it is in particular necessary to ensure for all
Community importers equal and uninterrupted access
to the abovementioned quotas and uninterrupted
application of the rates laid down for these quotas to
all imports of the products concerned into all Member
States until the quotas have been used up ; whereas,
having regard to the above principles, the Community
nature of the quotas can be respected by allocating the
Community tariff quota among the Member States ;
whereas, in order to reflect as accurately as possible the
true trend of the market in the products concerned,
such allocation should be in proportion to the require-
ments of the Member States, assessed by reference to
the statistics of each State's imports from Portugal over
a representative reference period and also to the
economic outlook for the quota period concerned ;

Whereas available Community statistics give no infor-
mation on the situation of port wines on the markets ;
whereas, however, Portuguese statistics for exports of
these products to the Community during the past
three years can be considered to reflect approximately
the situation of Community imports ; whereas, on this
basis, the corresponding imports by each of the
Member States for the past three years represent the
following percentages of the imports into the Commu-
nity from Portugal of the products concerned :

⁽¹⁾ OJ No L 348, 31. 12. 1979, p. 44.

⁽²⁾ OJ No L 301, 31. 12. 1972, p. 165.

⁽³⁾ OJ No L 236, 21. 8. 1981, p. 1.

⁽⁴⁾ OJ No L 348, 31. 12. 1979, p. 61.

⁽⁵⁾ OJ No L 54, 5. 3. 1979, p. 1.

⁽⁶⁾ OJ No L 326, 23.12.1982, p. 1.

	1979	1980	1981
Port wines :			
— in containers holding two litres or less :			
Benelux	15.4	18.7	19.9
Denmark	3.5	3.7	4.1
Germany	8.6	6.1	6.8
Greece	—	—	0.1
France	49.7	51.8	51.0
Ireland	0.2	0.3	0.6
Italy	12.5	10.6	10.2
United Kingdom	10.1	8.7	7.3
— in containers holding more than two litres :			
Benelux	21.3	25.5	23.7
Denmark	6.2	6.3	5.2
Germany	6.9	6.2	8.8
Greece	—	—	—
France	38.7	38.0	38.5
Ireland	—	—	0.1
Italy	—	—	—
United Kingdom	26.7	24.0	23.7

Whereas, in view of these data and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages :

Member States	Port wines in containers holding :	
	two litres or less	more than two litres
Benelux	18.05	23.41
Denmark	3.76	5.96
Germany	7.12	7.14
Greece	0.01	0.01
France	50.83	38.40
Ireland	0.36	0.01
Italy	11.07	0.01
United Kingdom	8.80	25.06

Whereas, in order to take into account import trends for the products concerned in the various Member States, each of the quota amounts should be divided into two instalments, the first instalment being allocated among the Member States which have used up their initial quota shares ; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quotas should, under the present circumstances, be fixed at around 95 % of each of the quota amounts ;

Whereas the initial quota shares of the Member States may be used up at different times ; whereas, in order to take this fact into account and avoid any break in continuity, any Member State which has almost used up its initial quota share should draw an additional

quota share from the corresponding reserve ; whereas this must be done by each Member State as and when each of its additional shares is almost used up and repeated as many times as the reserve allows ; whereas, the initial and additional quota shares must be valid until the end of the quota period ; whereas this method of administration requires close cooperation between Member States and the Commission and the latter must, in particular, be in a position to monitor the extent to which the quota volumes have been used up and to inform the Member States thereof ;

Whereas if, at a given date in the quota period, a substantial quantity of one of the initial shares remains unused in one or other Member State it is essential that that Member State should return a significant proportion to the reserve to prevent a part of any Community quota from remaining unused in one Member State when it could be used in others,

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union any operations relating to the administration of the quota shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

1. From 1 July 1983 to 30 June 1984, Community tariff quotas shall be opened, in the Community, for products originating in Portugal within the limits set out below :

(hectolitres)		
CCT heading No	Description	Quota amount
ex 22.05 C III a) 1	} Port wines	150 400
ex 22.05 C IV a) 1		
ex 22.05 C III b) 1	} Port wines	210 000
ex 22.05 C IV b) 1		

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates set out below :

(ECU/hl)	
CCT heading No	Rate of duty
ex 22.05 C III a) 1	6.5
ex 22.05 C IV a) 1	7.0
ex 22.05 C III b) 1	6.6
ex 22.05 C IV b) 1	7.2

Within these tariff quotas, Greece shall apply customs duties calculated in accordance with the relevant provisions of the 1979 Act of Accession and of Regulation (EEC) No 2370/81.

3. The wines shall benefit from these tariff quotas only if Article 18 (3) and (4) of Regulation (EEC) No 337/79 are respected.

Article 2

1. Each of the tariff quotas referred to in Article 1 shall be divided into two parts.

2. (a) The first instalment of each quota shall be allocated among the Member States; the respective shares, which subject to Article 5 shall be valid until 30 June 1984, shall be as follows:

Member States	(hectolitres)	
	Port wines under subheadings:	
	ex 22.05 C III a) 1 and ex 22.05 C IV a) 1	ex 22.05 C III b) 1 and ex 22.05 C IV b) 1
Benelux	25 800	46 700
Denmark	5 370	11 900
Germany	10 170	14 240
Greece	15	20
France	72 630	76 600
Ireland	515	20
Italy	15 820	20
United Kingdom	12 580	50 000
Total	142 900	199 500

(b) The second instalment of each quota, namely 7 500 and 10500 hectolitres respectively, shall constitute the corresponding reserve.

Article 3

1. If 90 % or more of one of the Member State's initial shares as specified in Article 2 (2), or of that share minus the portion returned to the reserve, where Article 5 is applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 10 % of its initial share, rounded up where necessary to the next unit.

2. If, after one of its initial shares has been used up, 90 % or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share, rounded up where necessary to the next unit.

3. If, after one of its second shares has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that these might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 30 June 1984.

Article 5

The Member States shall return to the reserve, not later than 1 April 1983 the unused portion of their initial share which, on 15 March 1984, is in excess of 20 % of the initial volume. They may return a larger quantity if there are grounds for believing that it might not be used.

The Member States shall, not later than 1 April 1984, notify the Commission of the total quantities of the products concerned imported up to 15 March 1984 and charged against the Community quotas and of any quantities of the initial shares returned to each reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as it is notified, inform each State of the extent to which the reserves have been used up.

The Commission shall, not later than 5 April 1984, notify Member States of the amount in each reserve after quantities have been returned thereto pursuant to Article 5.

The Commission shall ensure that any drawing which uses up any reserve is limited to the balance available and to this end shall specify the amount thereof to the Member State which makes the last drawing.

Article 7

1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the Community quotas.

2. The Member States shall ensure that importers of the products concerned have free access to the shares allocated to them.

3. The extent to which a Member State has used up its shares shall be determined on the basis of the imports of the products concerned originating in Portugal as and when the goods are entered with customs authorities for free circulation.

Article 8

At the Commission's request Member States shall inform it of imports of the products concerned actually charged against their shares.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 July 1983.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council

The President

Proposal for a
COUNCIL REGULATION (EEC)

ANNEX B

opening, allocating and providing for the administration of Community tariff
quotas for Madeira wines, falling within heading No ex 22.05 of the Common
Customs Tariff and originating in Portugal (1983/84)

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 113
thereof,

Whereas Article 9 of the Supplementary Protocol ⁽¹⁾ to
the Agreement between the European Economic
Community and the Portuguese Republic ⁽²⁾,
completed by Council Regulation (EEC) No 2370/81
of 27 July 1981 laying down the arrangements ap-
plicable to trade between Greece and Portugal ⁽³⁾,
provides that customs duties on imports into the
Community of certain wines originating in Portugal
shall be reduced :

- by 60 % in the case of the duties applicable to
Madeira wines falling within subheadings ex 22.05
C III a) 1 and ex 22.05 C IV a) 1 of the Common
Customs Tariff, up to a total annual tariff quota of
4 050 hectolitres,
- by 50 % in the case of the duties applicable to
Madeira wines falling within subheadings ex 22.05
C III b) 1 and ex 22.05 C IV b) 1 of the Common
Customs Tariff, up to a total annual tariff quota of
14 500 hectolitres ;

Whereas Portugal has given an assurance that the price
for wines originating in its territory will not be lower
than the reference price less the customs duties actu-
ally charged ; whereas, as a result thereof, the wines
covered by those tariff quotas should be treated in the
same manner as wines granted preferential tariff
concessions, provided the free-at-frontier reference
price is observed ; whereas such wines benefit from the
tariff concessions only if the provisions of Article 18 of
Council Regulation (EEC) No 337/79 ⁽⁴⁾, as last
amended by Regulation (EEC) No / ⁽⁵⁾, are
respected ; whereas those provisions apply to imports
under these quotas ;

/3082/82 (5)

Whereas it is in particular necessary to ensure for all
Community importers equal and uninterrupted access

to the abovementioned quotas and uninterrupted
application of the rates laid down for these quotas to
all imports of the products concerned into all Member
States until the quotas have been used up ; whereas,
having regard to the above principles, the Community
nature of the quotas can be respected by allocating the
Community tariff quota among the Member States ;
whereas, in order to reflect as accurately as possible the
true trend of the market in the products concerned,
such allocation should be in proportion to the require-
ments of the Member States, calculated by reference to
the statistics of each State's imports from Portugal over
a representative reference period and also to the
economic outlook for the quota period concerned ;

Whereas available Community statistics give no infor-
mation on the situation of Madeira wines on the
markets ; whereas, however, Portuguese statistics for
exports of these products to the Community during
the past three years can be considered to reflect
approximately the situation of Community imports ;
whereas, on this basis, the corresponding imports by
each of the Member States for the past three years
represent the following percentages of the imports into
the Community from Portugal of the products
concerned :

	1979	1980	1981
Madeira wines :			
— in containers holding two litres or less :			
Benelux	37.5	45.9	42.5
Denmark	12.2	5.7	6.0
Germany	6.2	10.0	7.2
Greece	—	—	2.2
France	8.5	7.3	2.2
Ireland	1.7	0.1	—
Italy	17.7	9.2	32.3
United Kingdom	16.2	21.3	7.6
— in containers holding more than two litres :			
Benelux	13.4	11.2	13.6
Denmark	9.0	10.4	6.7
Germany	17.0	23.2	13.3
Greece	—	—	—
France	50.8	44.2	55.6
Ireland	0.1	—	—
Italy	—	—	—
United Kingdom	9.7	11.0	10.8

⁽¹⁾ OJ No L 348, 31. 12. 1979, p. 44.

⁽²⁾ OJ No L 301, 31. 12. 1972, p. 165.

⁽³⁾ OJ No L 236, 21. 8. 1981, p. 1.

⁽⁴⁾ OJ No L 54, 5. 3. 1979, p. 1.

⁽⁵⁾ OJ No L 326, 23.12.1982, p. 1.

Whereas, in view of these data and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages :

Member States	Madeira wines in containers holding :	
	two litres or less	more than two litres
Benelux	41.9	12.2
Denmark	7.8	9.0
Germany	7.8	18.9
Greece	0.6	0.1
France	5.5	49.3
Ireland	1.0	0.1
Italy	21.0	0.1
United Kingdom	14.4	10.3

Whereas, in order to take into account import trends for the products concerned in the various Member States, the quota volumes should be divided into two instalments, the first being shared among the Member States and the second constituting a reserve to cover at a later date the requirements of the Member States which have used up their initial quota shares ; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quotas should, under the present circumstances, be fixed at 90 % of each of the quota volumes ;

Whereas the Member States' initial shares may be used up at different times ; whereas, in order to take this fact into account and avoid any break in continuity, any Member State which has almost used up its initial share should draw an additional share from the corresponding reserve ; whereas this must be done by each Member State as and when each of its additional shares is almost used up, and repeated as many times as the reserve allows ; whereas the initial and additional shares must be valid until the end of the quota period ; whereas this method of administration requires close cooperation, between Member States and the Commission, and the latter must be in a position to monitor the extent to which the quota volumes have been used up and to inform Member States thereof ;

Whereas if, at a given date in the quota period, a substantial quantity of an initial share remains unused in any Member State it is essential that that Member State should return a significant proportion to the reserve, to prevent a part of any Community quota from remaining unused in one Member State when it could be used in others ;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of

Luxembourg are united within and jointly represented by the Benelux Economic Union, any operation relating to the administration of shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

1. From 1 July 1983 to 30 June 1984, Community tariff quotas shall be opened in the Community for products originating in Portugal within the limits set out below :

(hectolitres)

CCT heading No	Description	Quota amount
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	} Madeira wines	4 050
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	} Madeira wines	14 500

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates set out below :

(ECU/bl)

CCT heading No	Rate of duty
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	6.5 7.0
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	6.6 7.2

Within these tariff quotas, Greece shall apply customs duties calculated in accordance with the relevant provisions of the 1979 Act of Accession and of Regulation (EEC) No 2370/81.

3. The wines shall benefit from these tariff quotas only if Article 18 (3) and (4) of Regulation (EEC) No 337/79 is respected.

Article 2

1. The tariff quotas referred to in Article 1 shall be divided into two instalments.

2. A first instalment of each quota shall be shared among the Member States ; the respective shares, which subject to Article 5 shall be valid until 30 June 1984, shall be as follows :

(hectolitres)

Member States	Madeira wines under subheadings :	
	ex 22.05 C III a) 1 and ex 22.05 C IV a) 1	ex 22.05 C III b) 1 and ex 22.05 C IV b) 1
Benelux	1 500	1 600
Denmark	280	1 175
Germany	280	2 470
Greece	20	10
France	200	6 450
Ireland	40	10
Italy	750	10
United Kingdom	520	1 355
Total	3 590	13 080

3. The second instalment of each quota, 460 and 1 420 hectolitres respectively, shall constitute, the reserve.

Article 3

1. If 90 % or more of one of a Member State's initial shares as specified in Article 2 (2), or of that share minus the portion returned to the reserve, where Article 5 is applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 10 % of its initial share, rounded up where necessary to the next unit.

2. If, after one of its initial shares has been used up, 90 % or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share, rounded up where necessary to the next unit.

3. If, after one of its second shares has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe

that they might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Article 4

Each of the additional shares drawn pursuant to Article 3 shall be valid until 30 June 1984.

Article 5

The Member States shall return to the reserve, not later than 1 April 1984, such unused portion of their initial share as, on 15 March 1984, is in excess of 20 % of the initial volume. They may return a larger quantity if there are grounds for believing that it might not be used.

The Member States shall, not later than 1 April 1984, notify the Commission of the total quantities of the products concerned imported up to 15 March 1984 and charged against the Community quotas and of any quantities returned to the reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as it is notified, inform each State of the extent to which the reserves have been used up.

It shall, not later than 5 April 1984, inform the Member States of the amount in each reserve after the return of quantities pursuant to Article 5.

The Commission shall ensure that any drawing which uses up any reserve is limited to the balance available and, to this end, shall specify the amount thereof to the Member State which makes the final drawing.

Article 7

1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the Community tariff quotas.

2. The Member States shall ensure that importers of the products concerned have free access to the shares allocated to them.

3. The extent to which a Member State has used up its shares shall be determined on the basis of the imports of the products concerned originating in Portugal and entered with customs authorities for free circulation.

Article 8

At the Commission's request Member States shall inform it of imports of the products concerned actually charged against their shelves.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is complied with.

Article 10

This Regulation shall enter into force on 1 July 1983.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President

Proposal for a
COUNCIL REGULATION (EEC)

ANNEX C

opening, allocating and providing for the administration of Community tariff quotas for Setubal muscatel wines, falling within heading No ex 22.05 of the Common Customs Tariff and originating in Portugal (1983/84)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas Article 9 of the Supplementary Protocol (1) to the Agreement between the European Economic Community and the Portuguese Republic (2), completed by Council Regulation (EEC) No 2370/81 of 27 July 1981 laying down the arrangements applicable to trade between Greece and Portugal (3), provides that customs duties on imports into the Community of certain wines originating in Portugal shall be reduced:

- by 60 % in the case of the duties applicable to Setubal muscatel wines falling within subheadings ex 22.05 C III a) 1 and ex 22.05 C IV a) 1 of the Common Customs Tariff, up to a total annual tariff quota of 2 000 hectolitres,
- by 50 % in the case of the duties applicable to Setubal muscatel wines falling within subheadings ex 22.05 C III b) 1 and ex 22.05 C IV b) 1 of the Common Customs Tariff, up to a total annual tariff quota of 1 000 hectolitres;

Whereas Portugal has given an assurance that the price for wines originating in its territory will not be lower than the reference price less the customs duties actually charged; whereas, as a result thereof, the wines covered by those tariff quotas should be treated in the same manner as wines granted preferential tariff concessions, provided the free-at-frontier reference price is observed; whereas such wines benefit from the tariff concessions only if the provisions of Article 18 of Council Regulation (EEC) No 337/79 (4), as last amended by (EEC) No 3082/82 (5) are respected; whereas those provisions apply to imports under those quotas;

Whereas it is in particular necessary to ensure for all Community importers equal and uninterrupted access to the abovementioned quotas and uninterrupted application of the rates laid down for these quotas to all imports of the products concerned into all Member States until the quotas have been used up; whereas,

having regard to the above principles, the Community nature of the quotas can be respected by allocating the Community tariff quota among the Member States; whereas, in order to reflect as accurately as possible the true trend of the market in the products concerned, such allocation should be in proportion to the requirements of the Member States, calculated by reference to the statistics of each State's imports from Portugal over a representative reference period and also to the economic outlook for the quota period concerned;

Whereas available Community statistics give no information on the situation of Setubal muscatel wines on the markets; whereas, however, Portuguese statistics for exports of these products to the Community during the past three years can be considered to reflect approximately the situation of Community imports; whereas, on this basis, the corresponding imports by each of the Member States for the past three years represent the following percentages of the imports into the Community from Portugal of the products concerned:

	1979	1980	1981
Setubal muscatel wines:			
— in containers holding two litres or less:			
Benelux	26	43	29
Denmark	6	4	11
Germany	20	—	—
Greece	—	—	—
France	8	8	—
Ireland	—	—	—
Italy	—	—	—
United Kingdom	40	45	60
— in containers holding more than two litres:			
Benelux	—	—	—
Denmark	—	—	—
Germany	—	—	—
Greece	—	—	—
France	—	—	—
Ireland	—	—	—
Italy	—	—	—
United Kingdom	—	—	—

(1) OJ No L 348, 31. 12. 1979, p. 44.

(2) OJ No L 301, 31. 12. 1972, p. 165.

(3) OJ No L 236, 21. 8. 1981, p. 1.

(4) OJ No L 54, 5. 3. 1979, p. 1.

(5) OJ No L 326, 23.12.1982, p. 1.

Whereas, in view of these factors and the estimates submitted by certain Member States, initial quota shares may be fixed approximately at the following percentages :

Member States	Setubal muscatel wines in containers holding :	
	two litres or less	more than two litres
Benelux	33	20
Denmark	7	5
Germany	4	20
Greece	1	1
France	5	20
Ireland	1	5
Italy	1	9
United Kingdom	48	20

Whereas, in order to take into account import trends for the products concerned in the various Member States, each of the quota volumes should be divided into two instalments, the first being shared among the Member States and the second constituting a reserve to cover at a later date requirements of Member States which have used up their initial quota shares ; whereas, in order to give importers in each Member State a certain degree of security, the first instalment of the Community quota should, under the present circumstances, be fixed at 50 % of each of the quota volumes ;

Whereas the Member States' initial shares may be used up at different times ; whereas, in order to take this fact into account and avoid any break in continuity, any Member State which has almost used up its initial quota shares should draw an additional share from the corresponding reserve ; whereas this must be done by each Member State as and when each of its additional shares is almost used up, and repeated as many times as the reserve allows ; whereas the initial and additional shares must be valid until the end of the quota period ; whereas this method of administration requires close cooperation between Member States and the Commission, and the latter must be in a position to monitor the extent to which the quota volumes have been used up and to inform the Member States thereof ;

Whereas if, at a given date in the quota period, a substantial quantity of an initial share remains unused in any Member State it is essential that that Member State should return a significant proportion to the reserve to prevent a part of any Community quota

from remaining unused in one Member State when it could be used in others ;

Whereas, since the Kingdom of Belgium, the Kingdom of the Netherlands and the Grand Duchy of Luxembourg are united within and jointly represented by the Benelux Economic Union, any operation relating to the administration of the quota shares allocated to that economic union may be carried out by any one of its members,

HAS ADOPTED THIS REGULATION :

Article 1

1. From 1 July 1983 to 30 June 1984, Community tariff quotas shall be opened in the Community for products originating in Portugal and within the limits set out below :

(hectolitres)

CCT heading No	Description	Quota amount
ex 22.05 C III a) 1 ex 22.05 C IV a) 1	Setubal muscatel wines	2 000
ex 22.05 C III b) 1 ex 22.05 C IV b) 1	Setubal muscatel wines	1 000

2. The Common Customs Tariff duties on wines imported within these tariff quotas shall be suspended at the rates set out below :

(ECU/bl)

CCT heading No	Rate of duty
ex 22.05 C III a) 1	6.5
ex 22.05 C IV a) 1	7.0
ex 22.05 C III b) 1	6.6
ex 22.05 C IV b) 1	7.2

Within these tariff quotas, Greece shall apply customs duties calculated in accordance with the relevant provisions of the 1979 Act of Accession and of Regulation (EEC) No 2370/81.

3. The wines shall benefit from these tariff quotas only if Article 18 (3) and (4) of Regulation (EEC) No 337/79 is respected.

Article 2

1. The tariff quotas referred to in Article 1 shall be divided into two instalments.

2. A first instalment of each quota shall be allocated among the Member States; the respective shares, which subject to Article 5 shall be valid until 30 June 1984, shall be as follows:

(hectolitres)

Member States	Setubal muscatel wines under subheadings:	
	ex 22.05 C III a) 1 and ex 22.05 C IV a) 1	ex 22.05 C III b) 1 and ex 22.05 C IV b) 1
Benelux	330	100
Denmark	70	25
Germany	40	100
Greece	10	5
France	50	100
Ireland	10	25
Italy	10	45
United Kingdom	470	100
Total	990	500

3. The second instalment of each quota, 1 010 and 500 hectolitres respectively, shall constitute the reserve.

Article 3

1. If 90 % or more of the Member State's initial share as specified in Article 2 (2), or of that share minus the portion returned to the reserve where Article 5 is applied, has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall forthwith, by notifying the Commission, draw a second share equal to 10 % of its initial share, rounded up where necessary to the next unit.

2. If, after one of its initial shares has been used up, 90 % or more of the second share drawn by a Member State has been used up, then, to the extent permitted by the amount of the reserve, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a third share equal to 5 % of its initial share, rounded up where necessary to the next unit.

3. If, after one of its second shares has been used up, 90 % or more of the third share drawn by a Member State has been used up, that Member State shall, in accordance with the conditions laid down in paragraph 1, draw a fourth share equal to the third.

This process shall continue until the reserve is used up.

4. By way of derogation from paragraphs 1, 2 and 3, a Member State may draw shares smaller than those fixed in those paragraphs if there is reason to believe that these might not be used up. It shall inform the Commission of its reasons for applying this paragraph.

Article 4

Additional shares drawn pursuant to Article 3 shall be valid until 30 June 1984.

Article 5

The Member States shall return to the reserve, not later than 1 April 1984, such unused portion of their initial share as, on 15 March 1984, is in excess of 20 % of the initial volume. They may return a larger quantity if there are grounds for believing that it may not be used.

The Member States shall, not later than 1 April 1984, notify the Commission of the total quantities of the products in question imported up to 15 March 1984 and charged against the Community quotas and of any quantities of the initial shares returned to each reserve.

Article 6

The Commission shall keep an account of the shares opened by the Member States pursuant to Articles 2 and 3 and shall, as soon as it is notified, inform each Member State of the extent to which the reserve has been used up.

It shall inform the Member States, not later than 5 April 1984 of the amount of each reserve after quantities have been returned pursuant to Article 5.

The Commission shall ensure that any drawing which uses up the reserve is limited to the balance available and to this end shall indicate the amount thereof to the Member State which makes such last drawing.

Article 7

1. The Member States shall take all measures necessary to ensure that additional shares drawn pursuant to Article 3 are opened in such a way that imports may be charged without interruption against their accumulated shares of the Community quotas.

2. The Member States shall ensure that importers of the products in question have free access to the shares allocated to them.

3. The extent to which a Member State has used up its shares shall be determined on the basis of imports of the products in question originating in Portugal and entered with the customs authorities for free circulation.

Article 8

At the request of the Commission the Member States shall inform it of imports of the products concerned actually charged against their shares.

Article 10

This Regulation shall enter into force on 1 July 1983.

Article 9

The Member States and the Commission shall cooperate closely in order to ensure that this Regulation is complied with.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President